

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 595 - HB 1340

February 27, 2021

SUMMARY OF BILL: Establishes eligibility for a Tennessee Reconnect Grant (Grant) for students enrolled in a basic law enforcement training academy at an eligible two-year postsecondary institution.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures –

**\$837,400/FY21-22/Lottery for Education Account
Exceeds \$837,400/FY22-23 and Subsequent Years
/Lottery for Education Account**

Other Fiscal Impact - Funding in the amount of \$837,400 in FY21-22, and exceeding \$837,400 in FY22-23 and subsequent years will not be included in the annual statutory transfer of excess lottery funding from the Lottery for Education Account to the Tennessee Promise Scholarship Special Reserve Account.

Assumptions:

- There are two community colleges in Tennessee that offer a basic law enforcement training academy: Cleveland State Community College and Walters State Community College.
- Pursuant to Tenn. Code Ann. § 49-4-944(g) and (h), the amount of a Grant award does not exceed the cost of tuition and mandatory fees charged, less all other gift aid, which shall be credited first to tuition and mandatory fees.
- The proposed legislation does not lessen the Grant award by other gift aid first to tuition and mandatory fees; therefore, it is assumed such Grants would cover the full cost of tuition and fees for eligible students.
- Based on information provided by TSAC, the average enrollment for the law enforcement academy at Cleveland State Community College was 79 students. The average cost of tuition and mandatory fees was \$2,549. Therefore, the average annual cost for full tuition and fees for these years was \$201,371 (79 students x \$2,549).
- The average enrollment for the law enforcement academy at Walters State Community College for these years was 200 students. The average cost of tuition and mandatory fees

was \$2,634. Therefore, the average annual cost for full tuition and fees for these years was \$526,800 (200 students x \$2,634).

- The total average annual cost for full tuition and fees for the basic law enforcement academies at community colleges in Tennessee is \$728,171 (\$201,371 + \$526,800).
- It is estimated that enrollment will increase 15 percent in FY21-22 due to the Grant now covering the full cost of tuition and fees, and will continue to grow in an unknown number of subsequent years as awareness of the opportunity increases.
- Therefore, the increase in state expenditures in FY21-22 is estimated to be \$837,397 (\$728,171 x 1.15) and estimated to exceed \$837,397 in FY22-23 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Interim Executive Director

/jj